RECORD YEAR-END PLAN OF FINANCIAL ADJUSTMENT (PFA)

Source Documents:	Plan of Financial Adjustment Transaction Request Report
Module:	General Ledger (GL)
Roles:	GL Journal Processor GL Journal Approver

Requirement of PFA Reclassification as a Year-End Entry

After the Period 998 cost allocation is complete, the total outstanding PFA amounts (not limited to Period 12 and 998) will be accounted as an accrual between the department and SCO year-end appropriation balances. All outstanding PFAs must be reported as a "Due To" or "Due From" accrual in the year-end financial reports.

Transactions included in the PFA report derive from:

- Journal Vouchers (AP)
- Labor Distributions
- Cost Allocations
- Fund Distributions
- General Ledger Journal (reclassification of expenditure between Program 9999 and other programs using ALO/11N journal source)

In FI$Cal, the offset account for above PFA transactions is Pending Cash Transfer Account 1109xxx (there is no equivalent account for GL 6297-PFA Outstanding in FI$Cal). A reclassification entry is required to reclassify **all** outstanding PFAs from the Pending Cash Account 1109xxx to appropriate "Due to/From" accounts.

Year-End PFA Reclassification Entry Data Source

Using the reports listed below, develop a reclassification worksheet (see Exhibit PFA2) to determine the adjusting entries.

- Monthly PFA Report (Not processed by SCO) – see Exhibit-PFA1
- Monthly PFA Reconciliation (Not Processed by SCO)
- Period 998 SCO/Agency Reconciliation

These reports are not cumulative and will need to be ran for each period. All PFAs not processed by SCO on June 30 must be included.

If estimated PFAs were submitted to SCO during the year and not previously adjusted to the actual PFA, the outstanding PFA amount to reclassify must equal the total actual PFAs less the total estimated PFAs.

All the PFA reclassification entries are reversed in the new fiscal year.

Year-End Adjusting Entry:

Reclassify all pending PFAs from Pending Cash Transfer to Due To/Due From

Program:

Debit 1109100 Pending Cash Transfer
Credit 2011000 Due to Other Appropriations[1/]
or
Credit 2010000 Due to Other Funds[1/]

Clearing 9999 :

Debit 1240000 Due from Other Funds[1/]
or
Debit 1240100 Due from Other Appropriations[1/]
Credit 1109100 Pending Cash Transfer

[1/]Journal lines posted to Account 124XXXX – Due from Other Funds/Appropriations and Account 201XXXX – Due to Other Funds/Appropriations should include values in the “Affiliate” (BU) and “Fund Affiliate” Fund fields.

EXHIBIT-PFA 1

PFA Transaction Request Report

Report ID:RPTGL104 FI$Cal
Plan of Financial Adjustment
AS OF 6/30/2019

Page No 1
Run Date: 20-Jul-19
Run Time: 11:32:02

Fiscal Year: 2018

Accounting Period: 12

FUND	AGY	FY	M	REFITEM	FEDCAT	PIN	C	CAT	PGM	ELE	COMP	TASK	ACCT	Reference in Sample Worksheet	REWOBJ	AMOUNT	DIC	A	T	O	B	SOURCEFUND
0001	8860	2018		001					10					A		$20,000.00	D	D				
0001	8860	2018		001					20	50				B		$10,000.00	D	D				
3056	8860	2018		001					30	51				C		($3,000.00)	C	D				
0028	8860	2018		001					10					D		$5,000.00	D	D				
0001	8860	2018		001					99					E		($32,000.00)	C	D				

EXHIBIT-PFA 2

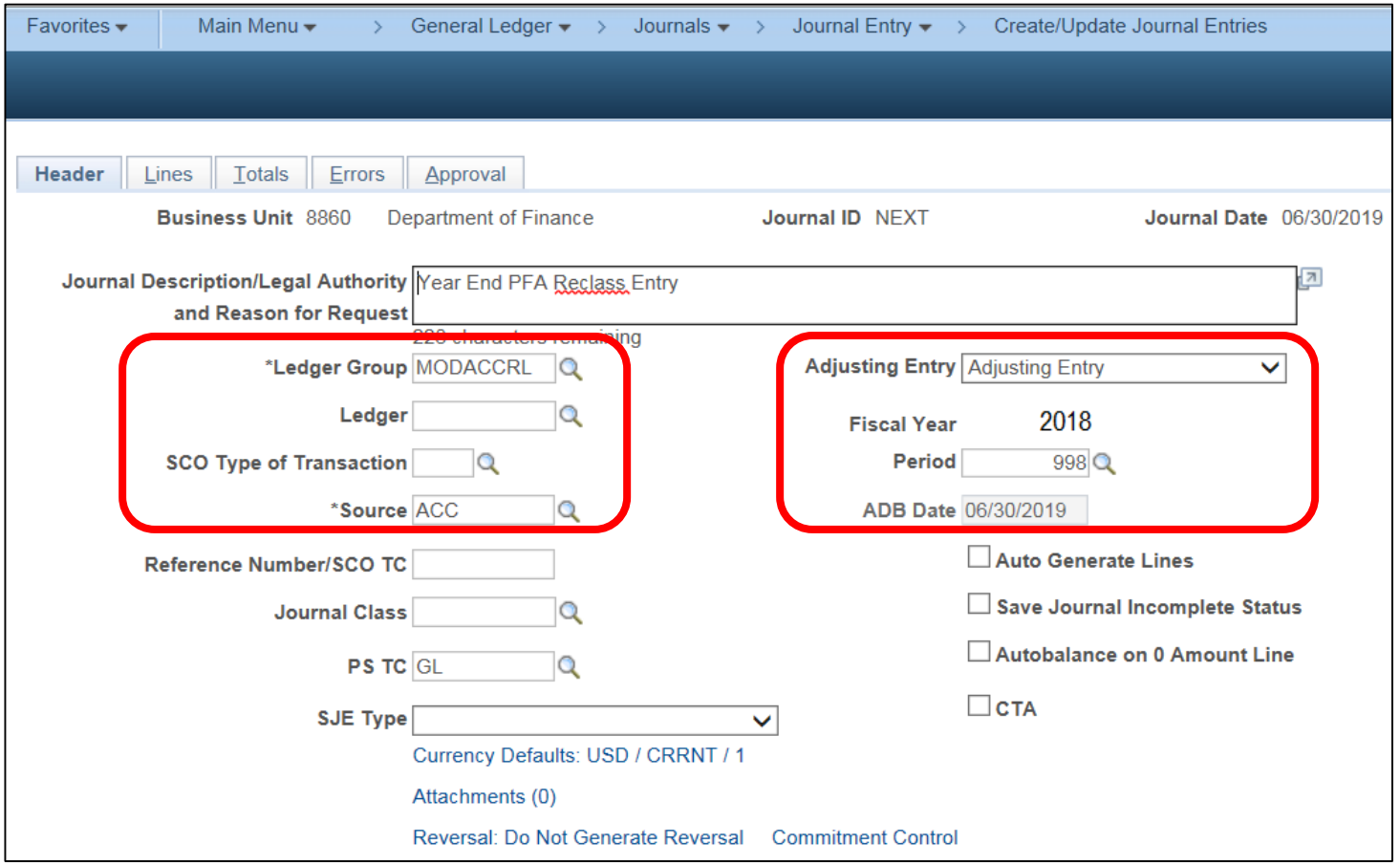
PFA RECLASSIFICATION WORKSHEET 2018

Reference	Program	Fund	Appn Ref	ENY	Debit	Credit	Account	Affiliate	Fund Affiliate	
A	6770	`0001	`001	2018		$ 20,000.00	2011000 Due to Other Appropration	8860	`0001	
		`0001			*$ 20,000.00*		*1109100 Pending Cash Transfer*			Offset
B	6775	`0001	`001	2018		$ 10,000.00	2011000 Due to Other Appropration	8860	`0001	
		`0001			*$ 10,000.00*		*1109100 Pending Cash Transfer*			Offset
C	6780	3056	`001	2018	$ 3,000.00		1240000 Due from Other Funds	8860	`0001	
		3056				*$ 3,000.00*	*1109100 Pending Cash Transfer*			Offset
D	6770	`0028	`001	2018		$ 5,000.00	2010000 Due to Other funds	8860	`0001	
		`0028			*$ 5,000.00*		*1109100 Pending Cash Transfer*			Offset
E	9999	`0001	`001	2018	$ 30,000.00		1240100 Due from Other Approrpriatior	8860	`0001	
		`0001				*$ 30,000.00*	*1109100 Pending Cash Transfer*			Offset
	9999	`0001	`001	2018	$ 5,000.00		1240000 Due from Other Funds	8860	`0028	
		`0001				*$ 5,000.00*	*1109100 Pending Cash Transfer*			Offset
	9999	`0001	`001	2018		$ 3,000.00	2010000 Due to Other Funds	8860	`3056	
		`0001			*$ 3,000.00*		*1109100 Pending Cash Transfer*			Offset

EXHIBIT-PFA 3

PFA RECLASSIFICATION JOURNAL

A General Ledger journal entry must be created in MODACCRL Ledger Group with "ACC" journal source in 998 Adjusting Period and identified as an Adjusting Entry. This journal entry must be manually reversed in the new year.



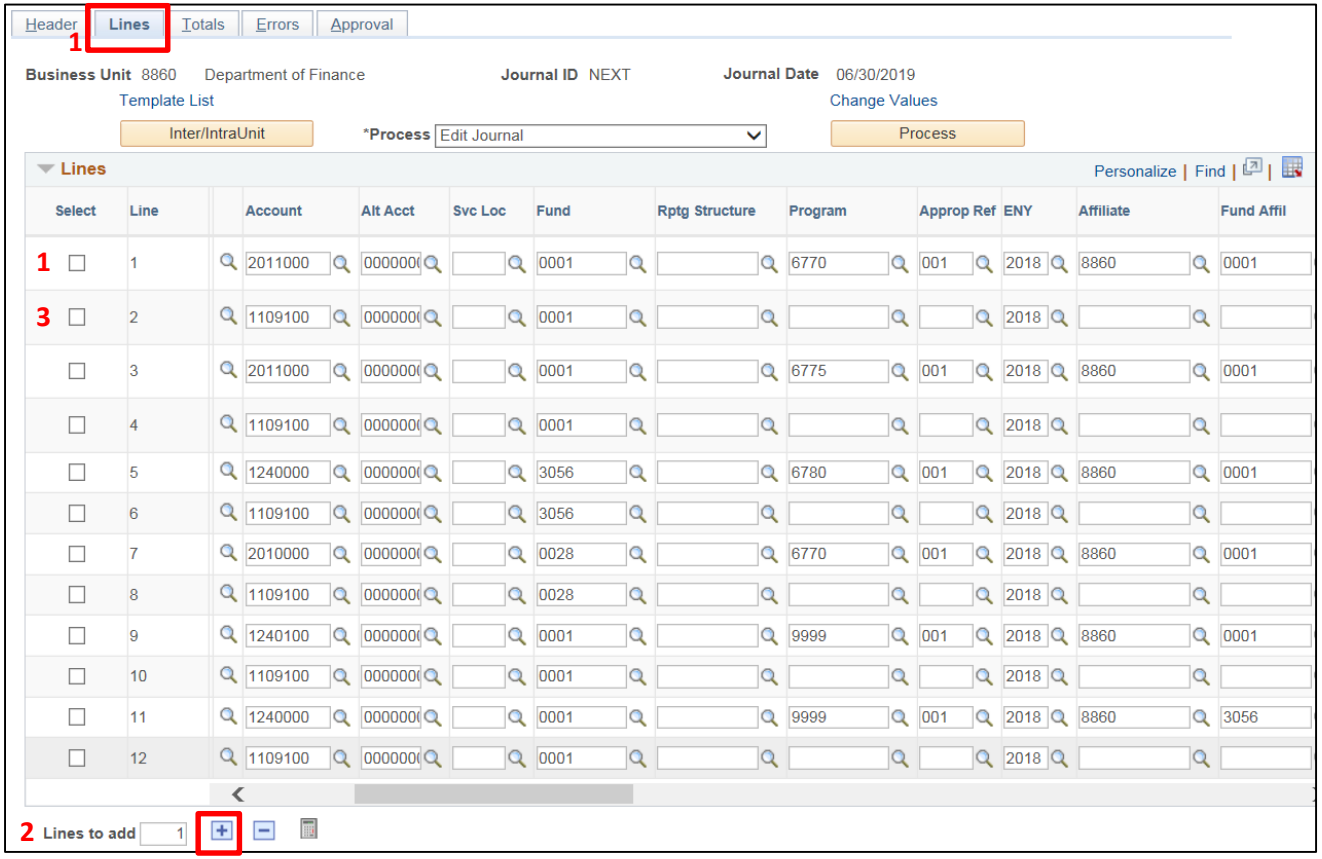
The **GL Journal Processor** will enter the Journal Lines.

1 – In the **Lines** tab, enter appropriate Due To or Due From line: **Account, Alt Acct, Fund, Program, Approp Ref, ENY**, **Amount**, **Affiliate**[1/], and **Fund Affiliate**[1/]

2 – Click on ⊞ to insert line

3 – Enter offset line: **Fund**, **ENY**, **Account**, and **Amount**

4 – Click **Save**. The system will assign a Journal ID. Not shown in illustration.



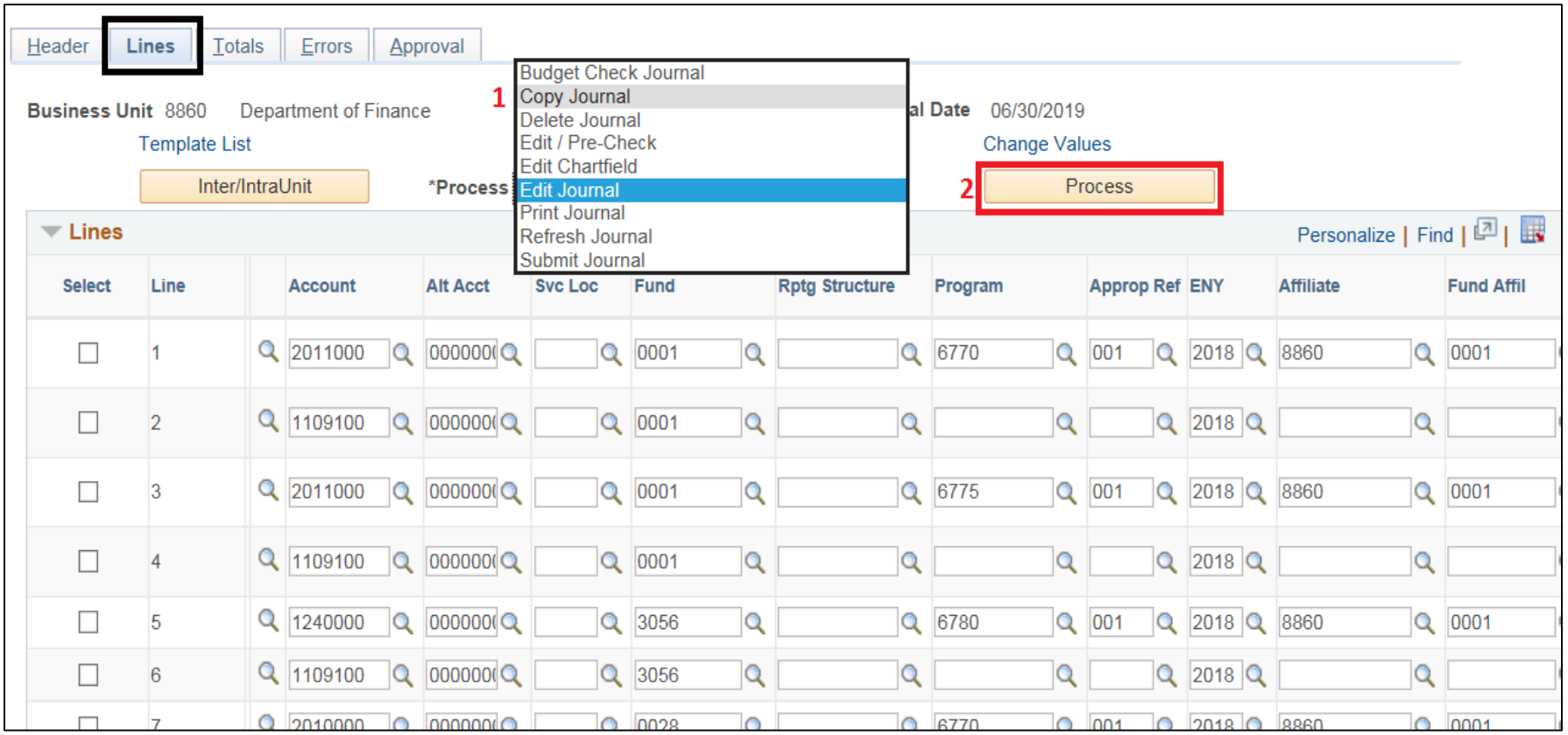
[1/]Include values in **Affiliate** (BU) and **Fund Affiliate** fields

The **GL Journal Processor** will run the Edit Journal Process.

1 – Click the Process drop down and select **Edit Journal**

2 – Click **Process**

3 – Verify the *Journal Status* and *Budget Status* show "**V**" for Valid. Not shown in illustration.

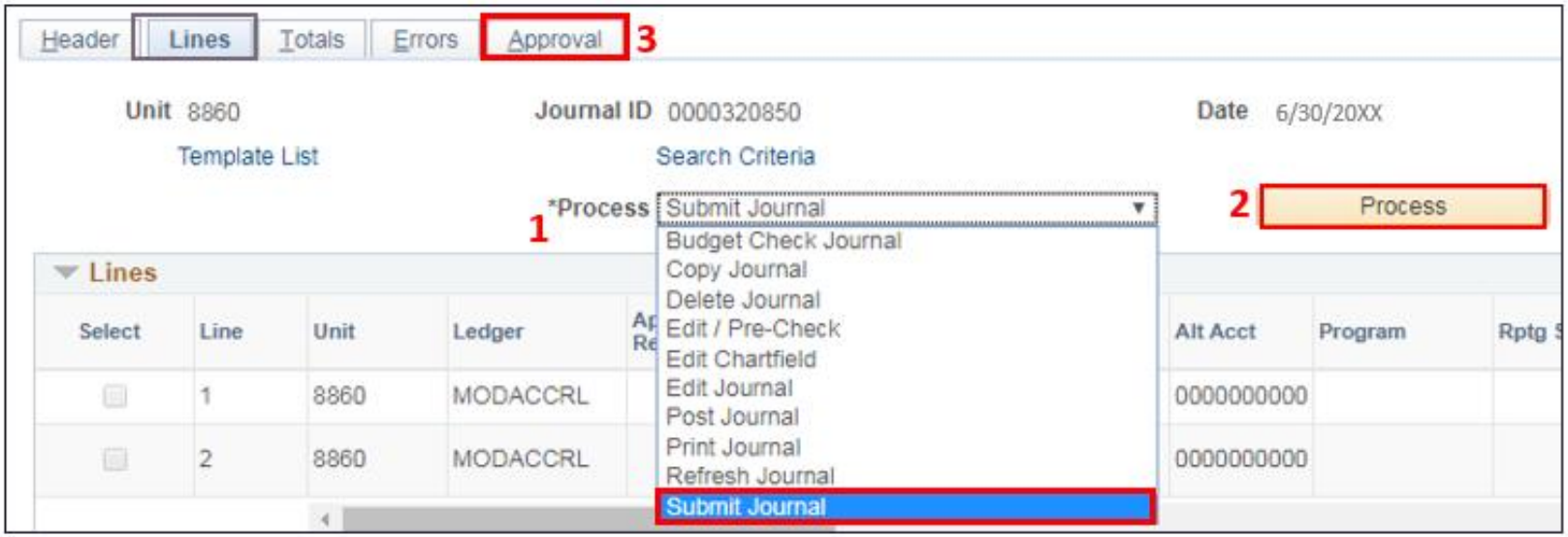


The **GL Journal Processor** will submit the Journal.

1 – Click the Process drop down menu and select **Submit Journal**

2 – Click **Process**. The GL Journal Approver will receive an automatic notification of the journal

3 – Click the **Approval** tab and view the journal workflow. Your journal will show as **Pending**



- The **GL Journal Approver** will approve the Journal

Follow the steps in Job Aid FI$Cal .094 – Approving a GL Journal to approve the Journal.

Reversing Entries in the New Year

After the journal is approved and posted in Period 998, the **GL Journal Processor** will copy the journal to create the manual reversal entries in Period 1.

Accrual journal entries must be manually reversed in Period 1 of the new fiscal year.

Note:

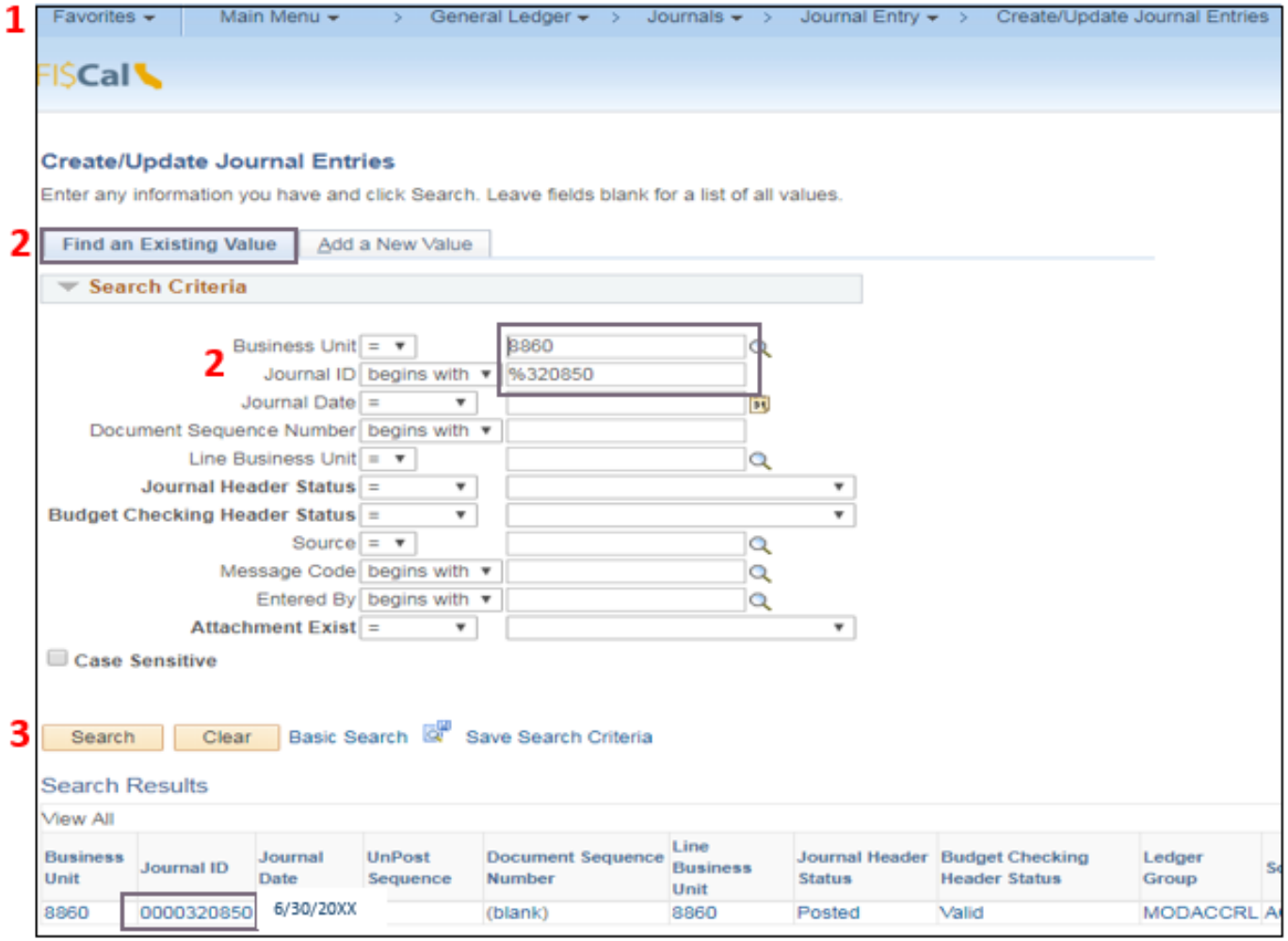
- DO NOT use the "automated reversal" option. This method will create budget check errors in the new year.
- Year-End accrual entries in Period 998 and the reversal entries Period 1 should net to zero.

The **GL Journal Processor** will retrieve journal entry for reversal in the New Year.

1 – Navigate to *GL>Journals>Journal Entry>Create/Update Journal Entries*

2 – Enter the *Business Unit* and *Journal ID* in the **Find an Existing Value** tab

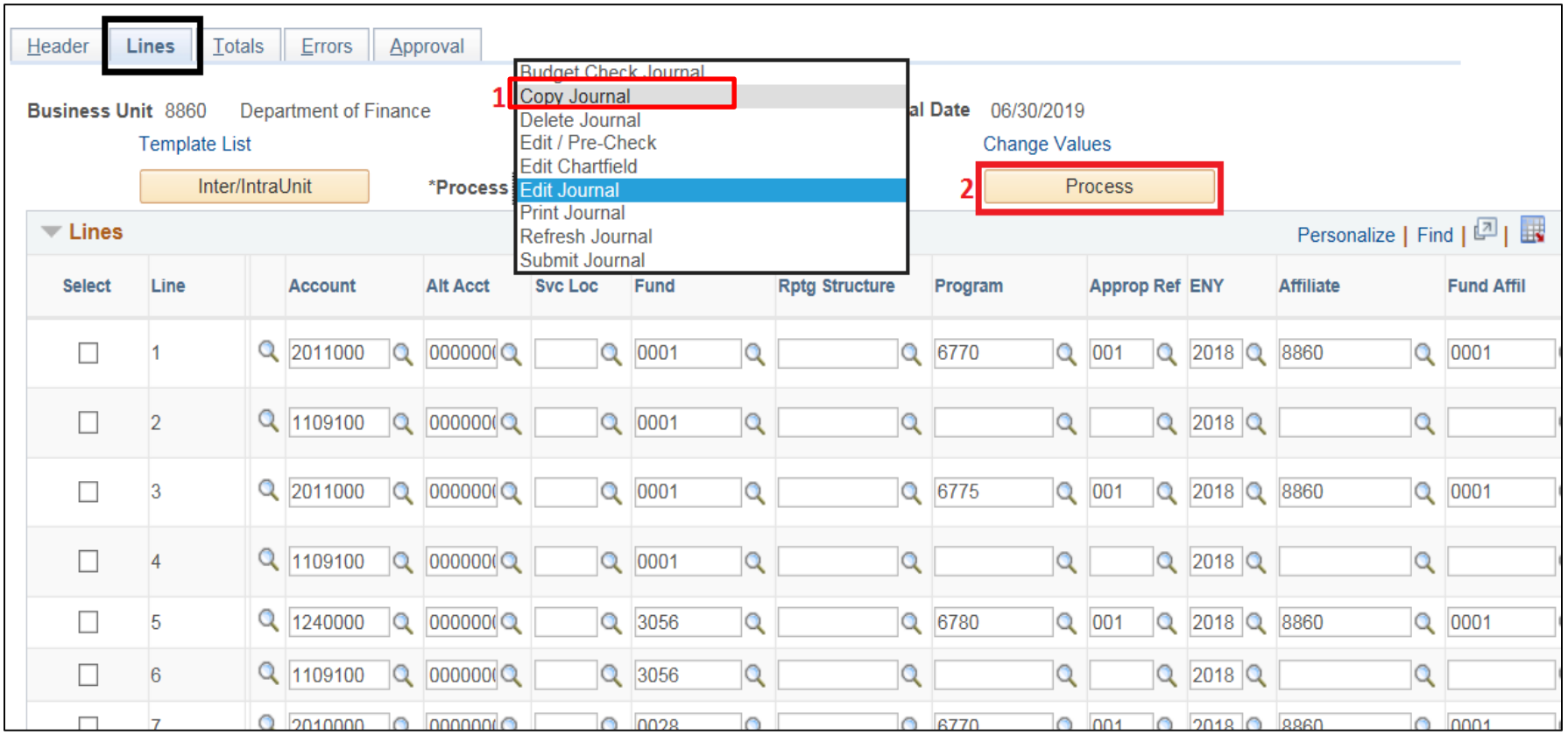
3 – Click Search and select Journal ID



The **GL Journal Processor** will copy the Journal Entry for reversal.

1 – From the **Lines** tab, click on the Process drop down and select **Copy Journal**

2 – Click **Process** button

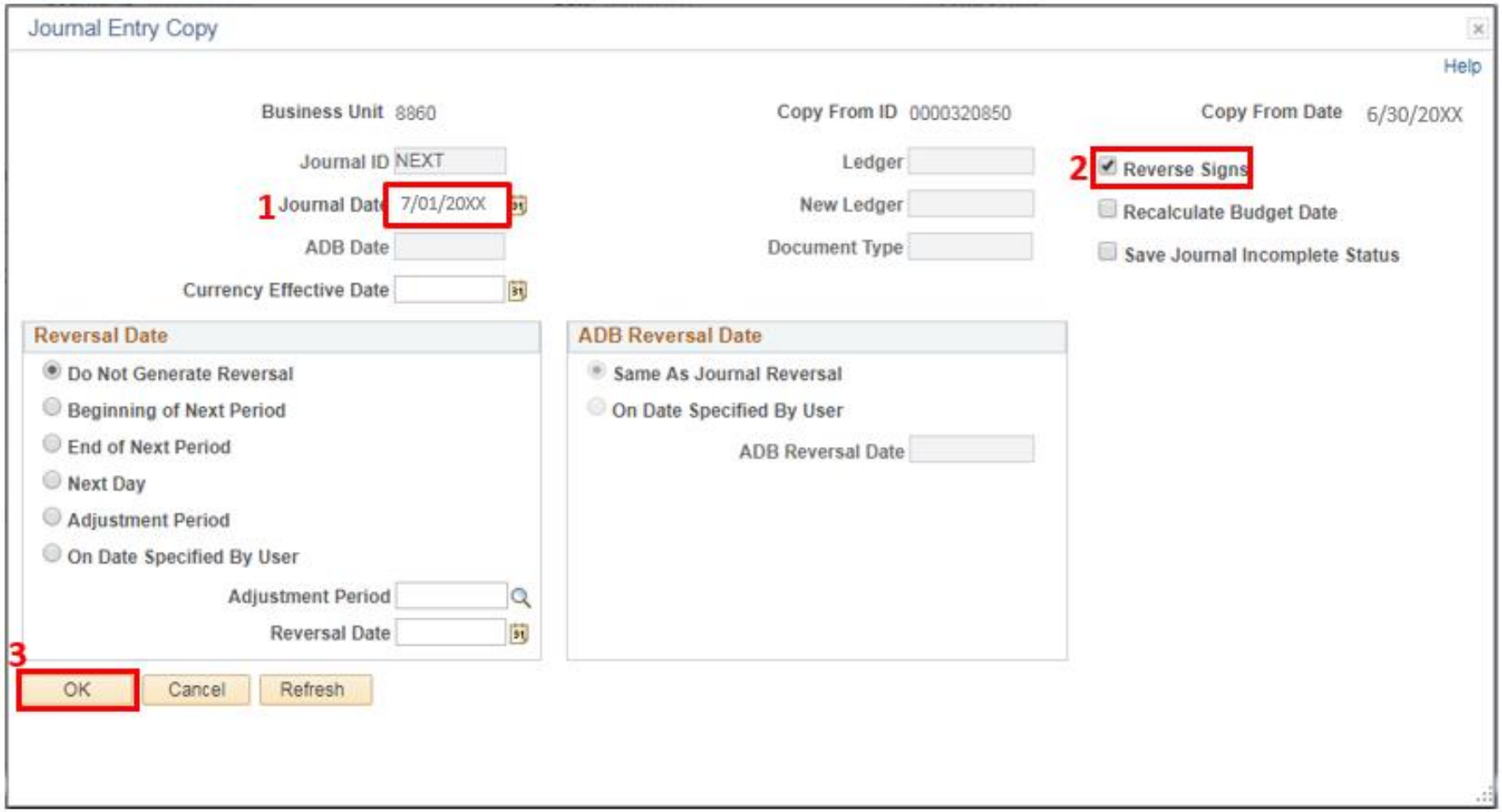


The **GL Journal Processor** will edit the Journal Entry Copy page.

1 – Date: **07/01/20XX** (new year)

2 – Check the **Reverse Signs** box

3 – Click "**OK**" to create reversal Journal (and new Journal ID). Click the Header page to continue



The **GL Journal Processor** will update the Header page.

1 – In the **Header** tab, note the new **Journal ID** generated for this entry

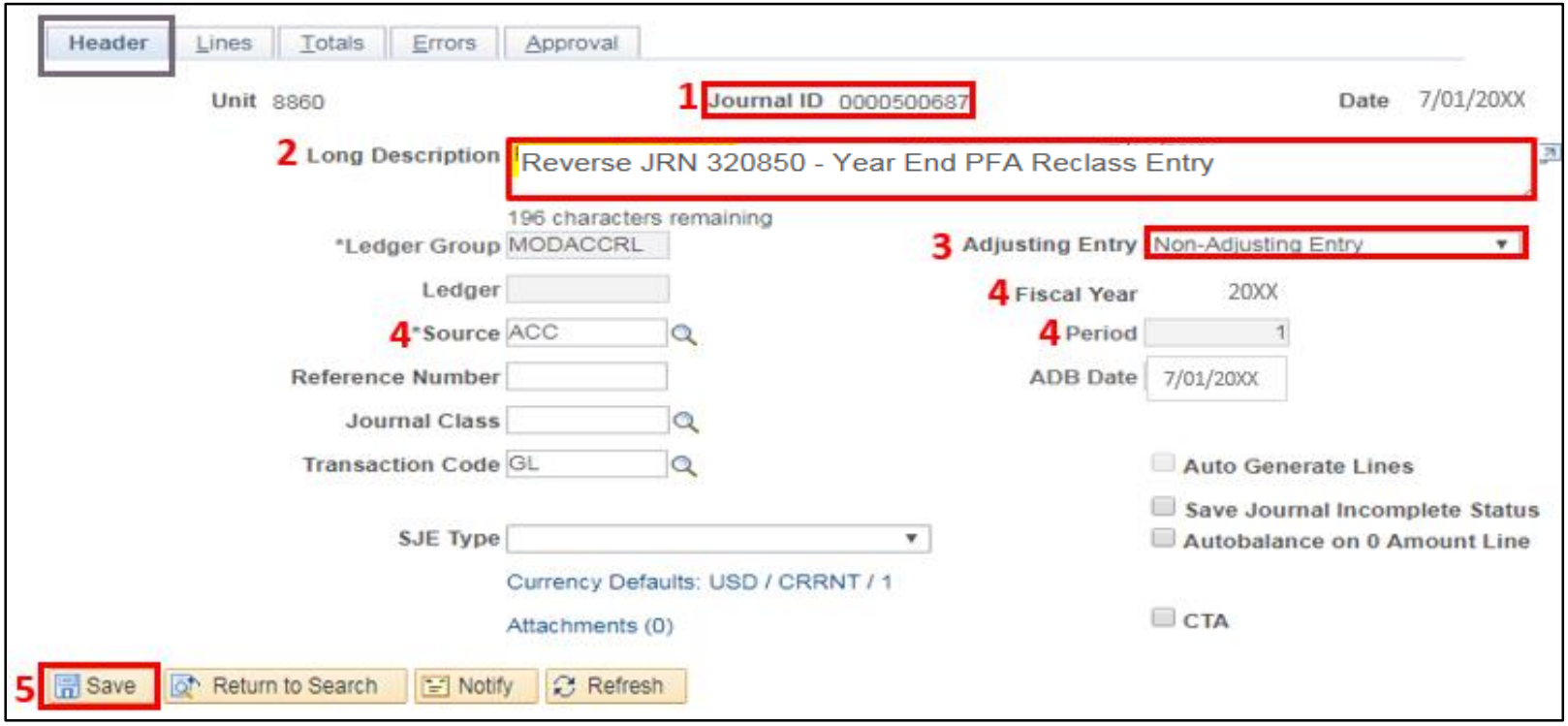
2 – Edit the Long Description and add a department defined purpose to the description

3 – Click on the Adjusting Entry drop down and select **Non-Adjusting Entry**

CAUTION: *If "Adjusting Entry" is posted by mistake, delete the transaction and start over. Attempting to correct it with a Non-Adjusting Entry causes the transaction to post twice: in Period 998 (after the first budget check) and in Period 1 (after the second).*

4 – Verify *Fiscal Year* is the **new year**, *Source* is "**ACC**," and *Period* is **1.** **Note:** *Transactions entered as ACC in 998, are reversed as ACC. If not, they may cause reconciliation issues and require extra postings.*

5 – Click **Save**

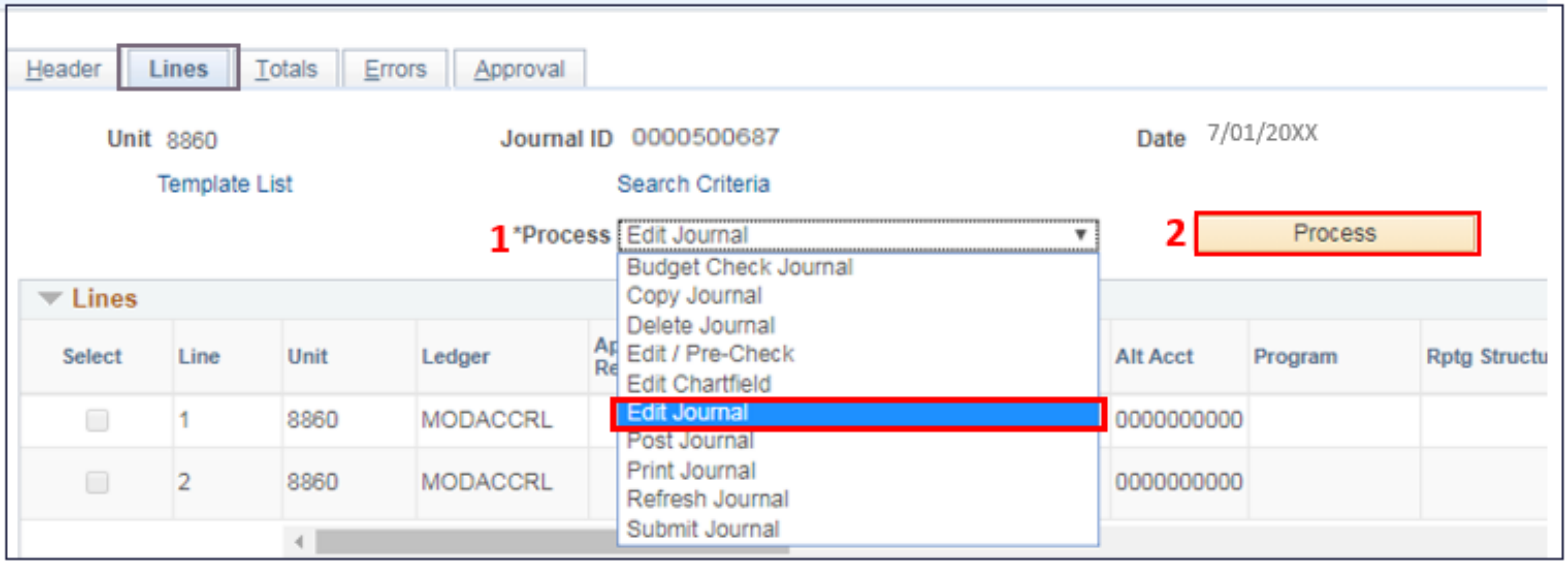


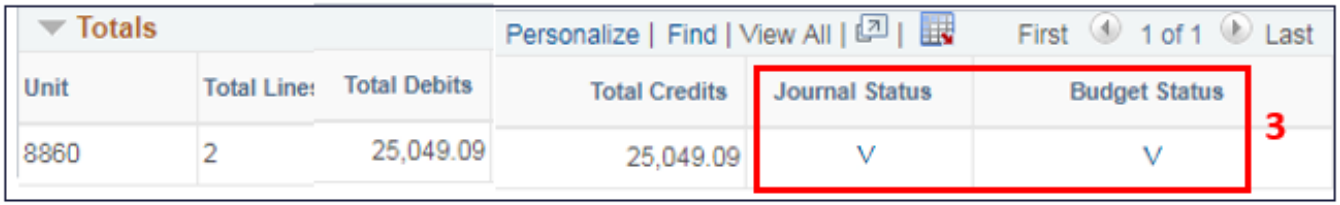
The **GL Journal Processor** will run the Edit Journal Process.

1 – Click the Process drop down and select **Edit Journal**

2 – Click **Process** button

3 – Verify the Journal Status and Budget Status show "**V**" for Valid



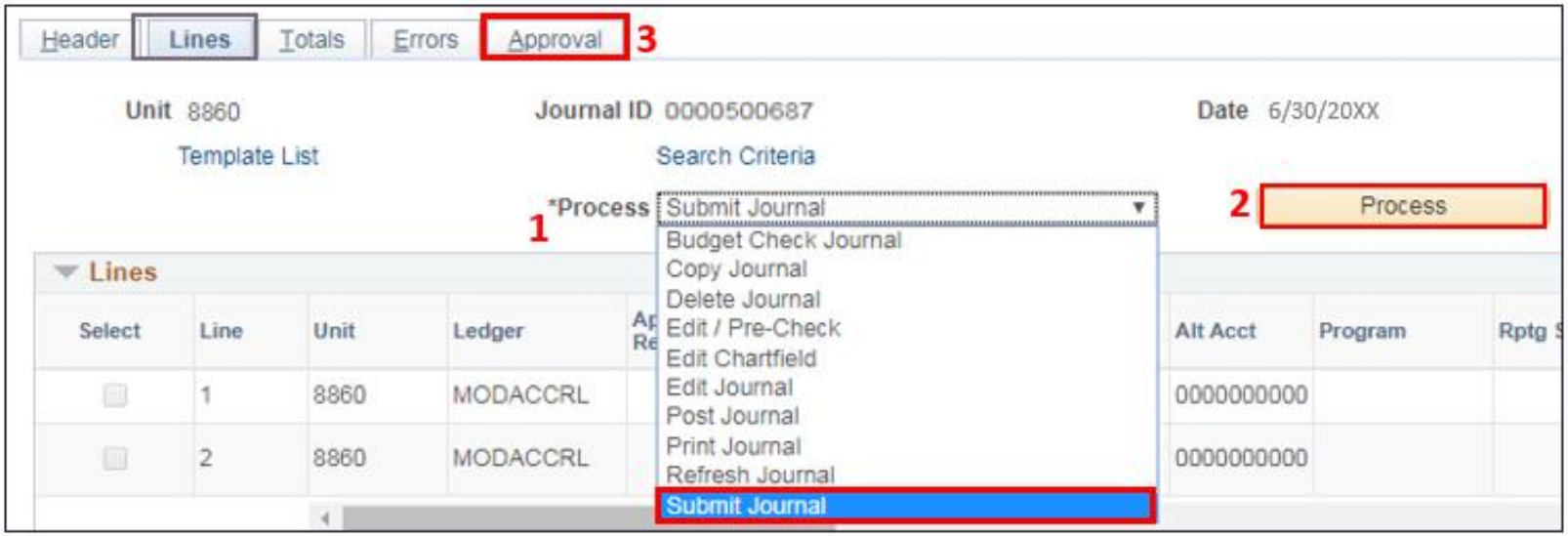


The **GL Journal Processor** will submit the Journal for approval.

1 – Click the Process drop down and select **Submit Journal**

2 – Click **Process**. The GL Journal Approver will receive an automatic notification of the journal

3 – Click the **Approval** tab and view the journal workflow. Your journal will show as **Pending**



- The **GL Journal Approver** will approve the Journal

  Follow the steps in Job Aid FI$Cal .094 – Approving a GL Journal to approve the Journal.